

October 11, 2001

MEMORANDUM

To: Mr. Dalton Floyd, Chair, and Members,
Commission on Higher Education

From: Ms. Susan Cole, Chair, and Members,
Committee on Access & Equity and Student Services

South Carolina National Guard Student Loan Repayment Program
Proposed Regulations - 2002-03 Academic Year

During the 2001 legislative session, the General Assembly approved H.3639. The Commission on Higher Education is charged with developing a loan repayment program for providing incentives for enlisting or remaining for a specified time in both the South Carolina Army and Air National Guards (SCNG) in areas of critical need. The Commission on Higher Education must define areas of critical need annually in consultation with the Adjutant General. The Commission staff recommends approving the proposed South Carolina National Guard Student Loan Repayment regulations, which includes the following terms of the loan repayment program:

- Must enlist, reenlist, accept a warrant or be commissioned for a term of at least six years and, at the time of enlistment, meet a critical needs area
- Must be a legal resident of South Carolina
- Must maintain satisfactory performance in the National Guard
- Must submit an application each year to Commission on Higher Education in order to be eligible for loan repayment
- Eligible student loans may be repaid at the rate of \$4500 per year for a maximum of four years
- Payments made directly to the loan provider
- Eligible loans are guaranteed under part B or part E of Title IV of the Higher Education Act of 1965, must be in good standing and be at least one year old

Recommendation

The Committee on Access, Equity and Student Services recommends that the Commission on Higher Education approve the proposed regulations for the South Carolina National Guard Student Loan Repayment Program. If approved by the Commission on Higher Education, the amended regulations will be submitted to the General Assembly for approval under the Administrative Procedures Act.